Capgemini Consulting

Business Model Innovation

Innovate or die

Table of Contents

I	Innovate or die	5
II	Why many fail	6
III	The structure of business models	7
IV	The changing face of business models	10
V	Current business model innovation trends	12
VI	How to ensure success	16
VII	An example of success - Apple	19

“The business model is broken.” This sentiment has been expressed with increasing frequency in recent years. The economic crisis has underlined to many managers how critical a well structured business model is, with the topic now on the agenda of many CXOs. As well as identifying the elements critical to success, they also need to understand that the opportunity for failure in business model restructuring is significant. With this document we outline the fundamentals required to succeed and the risks that need to be avoided.

Fresh
Ideas

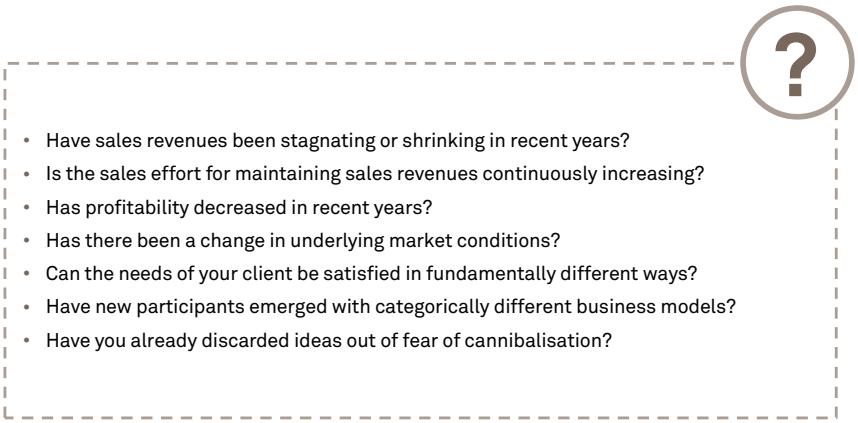
I Innovate or die

General Motors, Circuit City, Nortel and Trekstor are just some of the well known companies that filed for bankruptcy during the recent downturn. Commentators continue to claim that these instances are purely linked to the economic crisis, which we believe is a misjudgement. Certainly, slumps in demand and difficult financing options contributed to their difficulties. However, many of these companies failed, over the years, to adjust their business models to the altered market conditions and competitive environment.

This environment is becoming increasingly complex and fast-moving with the necessary changes required more extensive and difficult to generate and sustain. Previously, many industries were characterised by a single dominant business model. In effect, competitiveness was therefore a question of better execution of the business model. Today, many business models exist simultaneously in each industry, and their evolution is rapid and constant. Consider the airline industry, for example, where a wide array of players co-exist and compete: traditional, globally operating passenger and freight carriers, locally operating low-cost airlines, as well as companies renting out private jets on a time-sharing basis.

Companies that want to be successful in this environment have to fundamentally scrutinise their business model on a regular basis and redefine it if necessary. The factors driving the requirement for change vary. Customer requirements change and new technologies enable different ways of providing services. In addition, regulatory changes alter the playing field. Barriers to competition change or are suddenly obsolete, whilst new competitive advantages become possible. New, better or more convenient ways of addressing customers' wishes open up as a result of these developments. The challenge lies in developing suitable business models and actively driving the change required.

Figure 1 Is your business model at risk?



© 2010 Capgemini Consulting

II Why many fail

Many companies fail to adapt quickly or well enough to survive. This can be seen in the significant number of companies that disappeared from the S&P index over a period of 40 years. Many of them disappeared because their business model was outdated. Why did these organizations fail to innovate and survive?

Our experience points towards three main reasons.

1. Underestimated relevance. Management does not realise that the rules of the industry game have changed. Declines in turnover are not attributed to fundamental market changes. Early signs of the arrival of new competitors are regarded as irrelevant. Instead of business model innovation, isolated product and service innovations are pursued. Yet, the "more, faster, cheaper" approach does not work when you are confronting radically changed customer needs, a different market environment and completely new competitors.
2. Poor execution. Business model innovation is not addressed consistently and adequate resources are not made available even when the need for action has been recognised. Executives often hesitate for a number of reasons, such as impending cannibalisation of existing income sources; tough, short-term performance expectations; and internal resistance to the radical reconstruction required.
3. Wrong focus. Once the pressure to act has intensified, management often concentrates on re-establishing profitability as quickly as possible. The main focus is on adapting the cost base to the receding income. There is hardly any time for strategic thinking, and not enough attention is paid to the seismic changes that led to the decreasing income.

It is of course possible to do things differently. Warner Music has shown how. One of the world's biggest music labels, it was nevertheless 'old economy' and the digital revolution hit hard. Turnover shrunk dramatically due to the unstoppable fall in CD sales. Chairman and CEO Edgar Bronfman Jr. had to make some fundamental changes to reverse the decline.

He adapted the business model, aligning it to the digital era. The value proposition for artists was updated, new digital distribution channels developed, and new co-operation models established. The numbers speak for themselves. Warner Music secured a 21% share in the US market in 2008, the highest for ten years. Yet, Warner knows that this model will need to continue to evolve as the market around it changes

III The structure of business models

The overarching goal of a business model is to address a business opportunity in such a way that value is created for customers as well as for the company. A business model encompasses the addressed value potential, the customer interaction as well as the value creation model.

A business model consists of three strongly interlinked dimensions.

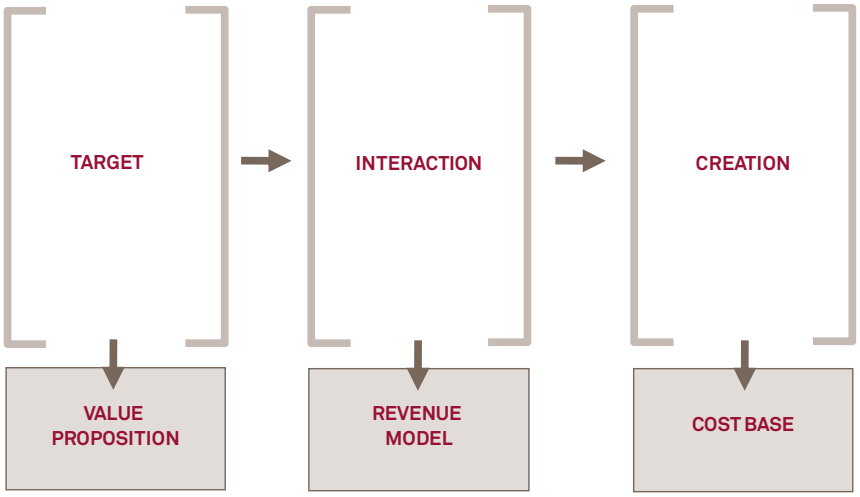
1. Target: The definition of revenue potential needs to be addressed at the beginning, it is the sum total of three elements:
   - The geographical markets aimed at.
   - The customer segments to be addressed and their specific requirements.
   - The clearly defined product/ service range offered based on previously identified customer requirements.

All these together form the basis of the value proposition.

2. Interaction: The second dimension defines the manner in which the company interacts with the customer to meet their requirements with products and services., This dimension also consists of three elements:
   - The customer relationship, with a focus on the nature of the relationship, the necessary intensity, the duration, the content and the typical and ideal sequence of events during customer interaction.
   - The channels of distribution through which products and services should be marketed or which facilitate the interaction with customers before and after the sale.
   - The payment structure. Here it is important to define the mode, point of time, and frequency of payments.

In total these elements define the structure of the income flow from the business model to a large extent.

Figure 2 The business model framework



© 2010 Capgemini Consulting

3. Creation: The third dimension of the business model, “creation”, builds on that. It defines how a company can profitably fulfil its value proposition. Essential elements here are the assets and special capabilities that the company brings into value creation. These could be production facilities, the brand of the company, or even technologies, to name a few. Another element is the specific processes that the company has to master for delivering its services. Finally, it is necessary to address which service components have to be delivered in-house - considering the background of the desired quality, costs and flexibility - and which should be ordered from a network of partners. The organisation of value creation essentially characterises the cost basis of the company and also determines the competitive capacity and sustainability of the business model.

Along these three dimensions, any business model can be drafted, analysed, and required changes can be identified. Depending on the context, two additional aspects need to be considered as well: synergies and the strength of the competitive position.

- Synergies: Several business models can coexist in a company. Often significant synergies exist among them (e.g. many automobile manufacturers with their integrated finance service providers or Deutsche Börse AG with cash market, clearing and Deutsche Börse systems). If a business model is adapted, the underlying logic of these synergies often changes. In an extreme case this can lead to a situation where a business model cannot be profitably operated in the network anymore. One case to observe in that respect is the one of Deutsche Post World Net selling Postbank.
- Strength of the competitive position: The stronger the position of the company in the sector value chain, the more likely it can define the rules and enforce adaptations as per its own requirements.

The business model dimensions and their correlation are shown in the “the business model” diagram.

E
+
−
Electric Vehicle
Parking Only

IV The changing face of business models

In the last 20 years, the most comprehensive business model innovations since the invention of telegraphy have arguably taken place. The major drivers for these changes were the Internet; ever smaller, more powerful and cheaper computers; as well as substantially expanded mobile communication. New access paths to companies were established via the Internet and mobile channels; Internet-based sales channels came into existence; and the route to the customer became much shorter.

The new opportunities, such as direct customer interaction and the low costs of these channels, led to a displacement of many traditional marketing channels and intermediaries. As expected, multi-channel management became a hot topic. Customer interaction has also changed fundamentally in the course of this transition. Customers are more independent in their search for, and processing of, information. The market has become faster and more transparent. Business transactions have got easier and partly automated. These developments have opened up an unprecedented transparency into customers, their behaviour and their requirements. Information about customers by itself became a valuable competitive advantage and in some markets has even become the merchandise itself.

Similarly, these changes made new price models possible. Negligible marginal costs created not only a "flat world" but also flat tariffs. The cost advantages obtained were then passed on by companies systematically, in order to have an edge in a transparent competitive environment and to open up new customer segments. At the same time, the professionalization of price strategies gained significance.

The emphasis of business model innovation was initially on the "interaction" dimension. But for a few years now the emphasis has been shifting to the "creation" dimension. We expect that this trend will become stronger in the next few years and will cover even more traditional sectors such as pharmaceuticals and mechanical engineering. This development is driven by new companies with new business models who are closer to customers, develop their products faster and produce more economically. The resulting competitive pressure forces established companies to redesign entire production processes. The customer is playing an increasingly important role as a stakeholder in service provision. As a result, it is possible to raise hit rates in product development, reduce introduction periods and cut costs. Simultaneously, customer relationships are strengthening and there is an increasing tendency to work in alliance with partners and others in the eco system. This is boosted by the strong focus on narrowly defined core competencies and the increasing possibility of procuring individual service components from third parties. The result is the progressive modularisation of companies.

One company whose business model exemplifies the points above is the car manufacturer "Local Motors". The differences between this organization and classical car manufacturers begin with the design of the cars. Designers from an "open design

network" initiated by Local Motors can put forward suggestions in an open competition. Potential customers, employees of Local Motors and other designers then choose the best design. The company is striking new paths in production as well. Freely available components form the base to a large extent – from chassis to lighting. These parts are then assembled in a number of small workshops spread across the whole country. Customers play an active role in production, which strengthens the emotional bond of the customer with the brand and the car. Through this approach, Local Motors is ostensibly trying to find a way to profitably cater to niche segments with very specific wishes.

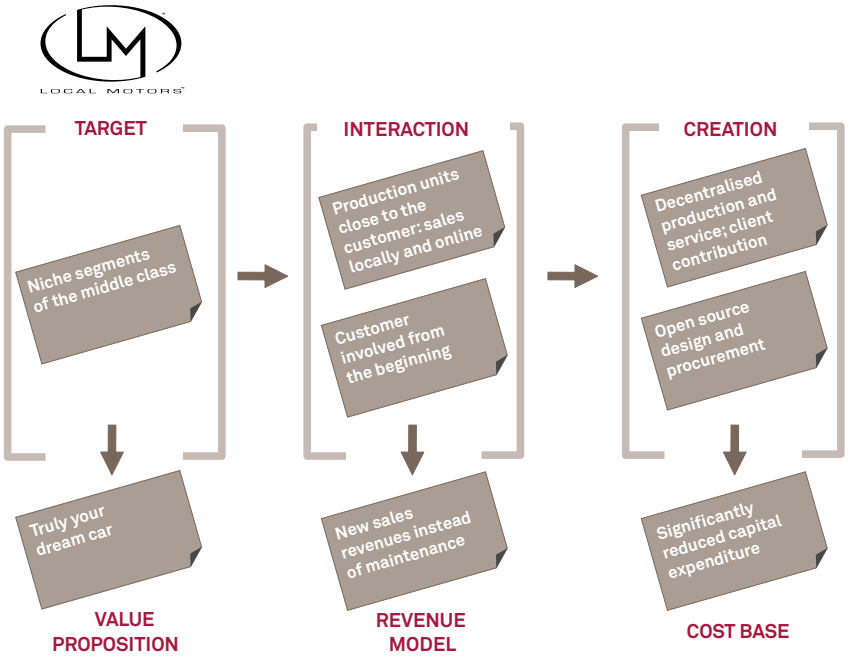
This example shows how cataclysmic business model innovations can be. Certain capabilities are required in order to be successful in this new world, such as:

- Customer management in a more complex relationship
- the management of extensive activity and partner networks
- the handling of large quantities of information.

These are just some of the capabilities required, and they are still absent in many companies. Companies still struggle with many of these facets, especially in accepting and implementing the necessary openness along the complete value chain.

However, there is no time to lose in embracing this opportunity. Business model innovation is a decisive factor for success in business today. Research conducted in 2005 found that over 50% of executives acknowledged that business model innovation will be more important for success than innovation in products and services. Our experience tells us, that this proportion has not reduced since.

Figure 3 Local Motors

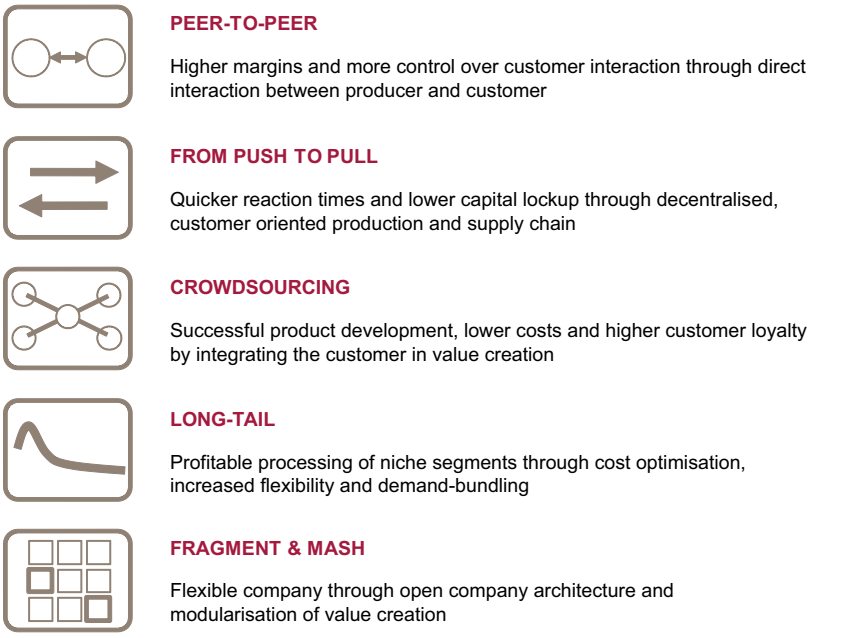


© 2010 Capgemini Consulting

V Current business model innovation trends

Based on our project experience and analysis of numerous business model innovations, we have identified five essential innovation drivers. These are all capable of transforming today's business models in many sectors to create new opportunities and challenges.

Figure 4 Business Model Innovation Trends



© 2010 Capgemini Consulting

Peer-to-Peer

The stages of value creation between service providers and consumers are increasingly disappearing. New technologies are constantly forcing the pace of disintermediation as service providers and consumers come into direct contact. In extreme cases, the customer even takes over tasks originally belonging to producers. Prominent examples of peer-to-peer models are Wikipedia and Yahoo Answers, or to a certain extent the different application stores of the cell phone operators.

Another interesting example is peer-to-peer bank concepts like ZOPA, Prosper or Smava, which connect lenders and borrowers directly. Everyone can become a lender or borrower in Smava and can freely select the rate of interest as well as the credit amount. The advantages of Smava are low interest rates, no prepayment penalty in case of premature settlement and the possibility of obtaining convenient terms of credit even for smaller amounts. The volume of Smava credits is increasing rapidly. In June 2009, for the first time, credit worth over EUR 1 million was extended in a single month, and its annual credit volume in 2009 totalled EUR 15 million.

Push-to-Pull

We see a move towards decentralised business models. Centralised business models rely on the predictability of demand, ensuring product development, and optimising the supply-chain. The optimisation advantage is gained at the expense of flexibility at various levels, from production to customer interaction. In an increasingly intensive competitive environment with shorter lifecycles, more complex distribution channels and a more powerful and ever-better informed customer, this approach is destined to fail. In particular, organizations can be running a product range that is at best static and at worst irrelevant to the customer.

Decentralised models take the opposite approach, with the customer centre stage. To ensure that customer-centricity is not just an empty phrase, the entire value chain has to have the flexibility to react quickly and to cope with varying customer requirements. This often demands the adaptation of the entire supply chain and production methods to manufacture individual or new products faster, more flexibly and economically. Communication channels, organisation and decision-making structures have to be synchronised so that customer requirements can be recognised and met quickly and accurately. Examples of the effective setup of decentralised systems are

Dell, Expedia, Apple or the fashion retailer Zara.

Dell was one of the pioneers of this trend in the technology sector. By switching to direct sales and the proximity this gave to customers, Dell could shift to demand-oriented production. Using modular just-in-time production, and eliminating forecasting errors in the value chain, the company significantly reduced inventory holding costs and above all capital lockup costs, which carry a lot of weight given the short lifecycles of computer hardware. Dell revolutionised the computer industry in the nineties, rose to become the one of the top 5 companies worldwide in 1997, and became the market leader for the first time in 2001. The fact that Dell has since forfeited this position shows the limited lifespan of business models and the ever-present need to continue to reinvent yourself.

Zara is another good example. The company radically simplified and expedited communication channels across the entire organisation. This approach is reflected in shop layouts, the means of communication between stores and headquarters, on right up to the set up of production facilities. Current fashion trends can therefore move quickly from the customer to production. Due to a comparatively high share of in-house production, and frequent supply of smaller items, the company can respond faster to information than its competitors.

Crowdsourcing
Companies increasingly source goods and services via open networks of external service providers, extending from open source software to product design to research and development. New forms of organisation, collaboration and financial participation broaden access to critical resources while simultaneously reducing procurement costs and time to market. Specialist networks such as Innocentive are emerging, which can process the highly specific demands of niche companies. This gives small companies access to a wide pool of qualified experts, to a scale that they could never finance themselves.

Lego provides a successful example of Crowdsourcing. The company faced major financial difficulties in 2003 and 2004, due to increasing competition from new competitors, a heightened price war due with producers from low-cost countries, and the digitalisation of the toy environment and products. On the lookout for new themes, topics and stimuli, Lego discovered the potential of online communities quite early. Some of the particularly expensive and therefore extremely high-risk projects, such as “Star Destroyer”, were developed in close collaboration with the Lego community. Lego has offerered its “Ambassador-Programme” since 2005. This is a community-based programme for adult Lego hobbyists, who are willing to share their experiences with Lego with the worldwide community and the company itself. In return, Lego ambassadors receive benefits from Lego and privileges within the community.

Lego is not an isolated case. Numerous other companies have discovered the advantages of Crowdsourcing. BMW has established a “Customer Innovation Lab”, Kraft gathered new product and packaging ideas via an internet portal and Sara Lee established an “open innovation network”.

Long Tail
The term ‘Long Tail’ was coined some ten years ago, and defines a new approach focused on profitably serving niche segments that were not attractive to serve before.

Business models emerged in the media and entertainment space, which marketed digital niche products via electronic platforms to the global public. This is not something that is possible in conventional markets because of the attached costs (production, inventory carrying, etc) and low local demand. However, it proved attractive for digital goods because of the extremely low marginal costs in production, absence of inventory holding costs and low marketing costs, as well as the ability to bundle across geographic borders. Initially, this applied only to media products, but serving the Long Tail has now become a viable option in other areas. This development can be traced to a number of reasons, such as the increasing flexibility of production chains, which permits easy and cost-efficient adaptation of products to niche requirements. Notable

examples are Amazon, Burda with "Burda Style", Spreadshirt, Apple's iPhone concept, or even Local Motors, the company mentioned earlier.

Fragment & Mash
This trend describes the consistent modularisation of the entire business model. The goal here is to significantly simplify the exchange and the integration of individual modules or activities by means of standardised interfaces. New possibilities for incorporating suppliers and customers in increasingly fragmented processes in your value chain play an important role. The result is the break-up of the classical sequential value chain into a value network. Here, your own products and services, but also the built-up competencies and the related tasks along the value chain, are integrated into the network and the companies and their services within the network. Instead of company-specifc value chains, function-, product- or service-related value chains emerge and the "mashable" company comes into existence.

Competitive advantages can be realised on at least three levels:

- The module, where advantages from specialisation or economies of scale are sought. Where these cannot be attained, the module is sourced from the partner network.
- The unique bundling of the modules, which lies either in the knowledge of activities necessary for cooperation, or in the combination itself.
- The organisation of the value creation network.

One example of this trend is, again, Amazon. Amazon is no longer just an online book dealer. The huge growth of the company meant it had to establish special technological competencies, especially the operation of highly scalable server structures for the operation of the electronic trade platform. Amazon uncovered a new area of business from this emerging core competency. Namely, the leasing of just these structures, which we also know now as cloud computing. The demand for computing and storage capacities is constantly rising and more and more companies are seeking flexible the costs for delivery. Amazon developed a complete business model around this idea, from product development to accounting and administration processes to new marketing channels. The name of the newly created platform is Amazon EC2 (Elastic Compute Cloud), which is established under the umbrella of Amazon Web Services (AWS) and forms the basic infrastructure (computing capacities) for the cloud.

delete
delete
shift

VI How to ensure success

It can be these mega trends, or very industry specific developments, which force the adaptation of a business model. Indeed, the necessary adaptations have to be examined in each individual case. However, every company can create the necessary prerequisites for a successful business model innovation. Basically, it is first about establishing a culture that promotes innovation, identifying and promoting ideas and designing the necessary structures for realising the innovation's potential.

An innovation-promoting culture distinguishes itself by intensive, cross-functional communication, creativity, error tolerance and entrepreneurial willingness to take risks. Open communication and close collaboration across functional borders bring together relevant knowledge from different parts of the company. Ideas can be examined and improved at an early stage and ideas emerge from the bottom up instead of being predefined by management. Hierarchical thinking is discouraged and management takes on more of a direction-setting role. Creativity takes priority over perfection when looking for ideas and errors are seen as an inevitable part of the creative process. Risks are actively evaluated and there is the necessary freedom for entrepreneurial risk-taking.

Example:

One company with just such a culture is Google. Developers at Google are encouraged to invest 20% of their working time in ideas and projects of their choice. The so-called "20% projects" usually have nothing to do with the core business of Google. Employees give constructive feedback and suggest new features instead of waiting for big strategic plans from the company's leadership. AdSense, Google Mail and Google News originated from "20% projects".

Of course, creativity does not necessarily equate to success. Good ideas must be selected, promoted and pursued until market maturity. This is the approach taken by venture capitalists, who face similar challenges in the discovery and promotion of new business ideas. The basic tenets of success are: a preliminary selection of ideas along clear criteria, a quick pilot phase for testing and refining the concept, and clearly defined milestones that have to be reached for further promotion. Ideas that do not generate customer interest or are simply badly implemented are terminated at an early stage. The financial impact of failures is thus minimised, but it is worth noting that the success rate enjoyed still stands at less than 5% of the projects initiated.

Example:

Google follows a similar process and uses different platforms to test new ideas. Google Labs or even open discussion on the Google Blog play an important role here. Google has an explicit goal through both: to make projects usable as fast as possible and to improve them as part of an iterative process that takes user feedback into consideration. It is also an accepted fact here that numerous flops are an accepted price for innovation.

In the end, the organisation needs to be designed for innovation: flat, operating in small units, and using cross-functional collaboration such as job rotation and open innovation networks. These organisations have a flexible design and nurture new units. The use of 'incubators' (organisation units for the development of an idea up to market maturity) is a common tactic for achieving this flexibility.

Figure 5 Are you ready for innovation?

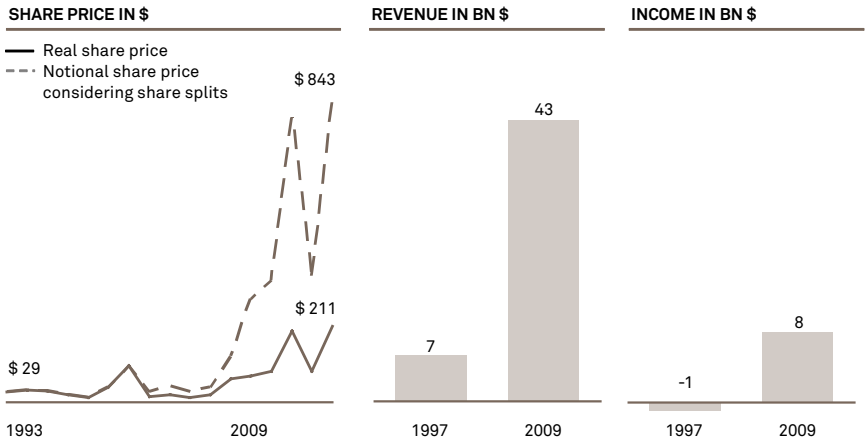
- Do we encourage open communication and close cooperation across functional boundaries?
- Is creativity a core value of the company culture? Do we promote it accordingly?
- Do we encourage our employees to not only improve the status quo but also to make suggestions for fundamental change?
- Are errors accepted in our company, knowing that they are unavoidable on the path to innovation?
- Do we specifically and deliberately take entrepreneurial risks?
- Do our executives and employees have sufficient freedom to actively come up with, and propose, ideas?
- Do we have a process to evaluate new ideas, finance our planning and monitor our success step by step?
- Does our company have a central contact point with an overview of the portfolio of ideas, their progress and possible synergy effects?
- Do all units have sufficient time to exchange ideas about projects and develop new business concepts?

© 2010 Capgemini Consulting

VII An example of success – Apple

Apple Inc. reached rock bottom in its company history in 1997. Revenues fell by about 36% in two successive years. Management was replaced almost every year. The company suffered a loss in the region of $ 1 billion plus on a 1997 turnover of $ 7 billion. Market share in the PC sector fell to 2% and the share price hit an all-time low of just $ 13. Fast forward 12 years and it was a completely different picture. In 2009 turnover rose by about 35% compared to the previous year and stood at over $ 43 billion. The profit for the year rose to $ 8 billion in 2009 and the share price rose to over $ 185 in the same year. What had happened?

Figure 6 Apple's Business Development



© 2010 Capgemini Consulting

Apple's mid-1990s business model was based on the production and sale of PCs and related software. It targeted a number of groups but built up a particularly faithful following among software developers, designers and creative professionals, who bought into a brand positioning that had more of an emotional resonance compared to IBM's mass-produced goods. Apple focused heavily on closed platforms, from hardware components to their own operating system, which gave the company greatest control of the supply chain as well as of the usability of their products. Furthermore, Apple developed specific capabilities in design and simplification of user interfaces of their products. Sales run through distribution partners and revenues were obtained almost exclusively through the sale of PCs and software.

However, the company's ability to innovate declined significantly after the departure of Steve Jobs. Instead of satisfying its demanding customers with a pipeline of creative and innovative products, existing products were milked to the end of the product life cycle. The downfall had started.

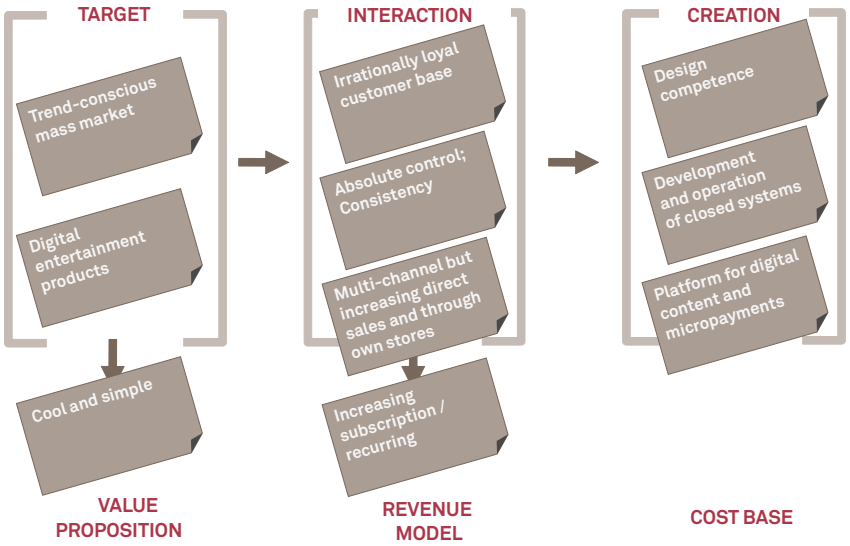
The return of Steve Jobs in the mid-nineties was the turning point. As well as many specific measures, such as the strict optimisation of the supply chain, where they were soon better than Dell, he re-activated the innovation potential of the company. Essentially, Apple moved from being a hardware and software producer to a supplier of "digital entertainment". Instead of earning money from the production of PCs, they would now move to lifestyle products and content.

The starting point was the development of new lifestyle products like the iPod and iPhone. Products like the MacBook Air were created in the former core area of PCs, by orienting the appliances towards mobility and entertainment. The necessary software for the new entertainment business model - iLife, iTunes, QuickTime or MobileMe - was developed or purchased. At the same time, the company built up new capabilities in digital content such as music and films, which complemented the developed entertainment products. In order to have better control over customer interaction and market positioning, Apple established its own flagship stores, where products are properly showcased and customers can be educated and advised. As the transition has not yet concluded, Apple currently operates 5 different business models. As we will see later,

Figure 7 Apple's Business Models

© 2010 Capgemini Consulting

Figure 8 Apple's Business model components



© 2010 Capgemini Consulting

this also represents a very important reason for Apple's success.

Despite the radical transformation to a new business model, Apple built on some of its old strengths in the creation of this new world: its design competence, loyal customer base, and the management of proprietary systems.

The design competence is in the genes of the company. Since its inception, Apple has systematically built up special capabilities in design and interface design. These competences a range of design awards and later helped it design attractive entertainment products. Be it the iPod, iPhone or iPad, each product's success can be traced to the significant improvement it offers in usability compared to existing solutions. Apple has consistently retained its design competence in-house, whereas many other producers outsourced design to OMDs.

This approach has secured an almost irrationally loyal customer base, particularly with designers and programmers. This helped Apple during the launch of the App-Stores, where it was able, for example, to gain a fast growing portfolio of interesting applications for the iPhone. This group, as brand ambassadors, were also one of the main reasons for the jump from early adopters to the mass market.

Another success factor has been Apple's knowledge in the set-up and consistent management of closed, proprietary systems, which permit complete control over the product and the customer process. This enabled the development of simple, customer-oriented, smoothly operating platforms like iTunes (the first really

unified development platform in the mobile market), as well as attractive incentive systems for application developers. At the same time, this absolute control ensures a uniform customer experience and brand perception across all sales platforms.

As mentioned earlier, strong synergies between its business models also help Apple considerably. For example, these exist between iTunes/App-Store and iPod/iPad/iPhone. The platforms are not only micro-payment enabled marketing platforms for multi-media content, they offer Apple customers a very simple and convenient transaction method to personalise entertainment products in usability and usefulness. Synergies also exist between hardware and entertainment products. In both areas combined, Apple has enormous purchasing power and a strong position in the sales channels. Full control of product development makes an efficient and user-friendly integration of data and functionalities a reality and also drives cross-sales

The effect of the change in the Apple business model is clear. With the iTunes music store, Apple hit 6 billion downloads and a market share of 70% of the worldwide digital music sales in early 2009. The iPhone applications were even more successful with over 1 billion downloads in the first 9 months. And Apple is achieving significant revenues in the new areas. iPod and music related services contributed to almost 30% of turnover; the iPhone and related services almost 20% in the second quarter of 2009.

Figure 9 Apple's Business model synergies

© 2010 Capgemini Consulting

A final, crucial factor for success was - and is - the innovation culture that is embedded at Apple and enshrined in its processes and structures. The foresight to recognise and embed these in the company lies with Steve Jobs.

Quintessence

1. Scrutinise the business model of your company regularly. Don't let yourself be blinded even by current success. The successful models of today can quickly become dated. Examine whether the mega trends are relevant for your industry. Moreover, pay careful attention to changes in the market environment and any new business models emerging. Small fluctuations in the performance of your own company - or robust growth from new niche competitors - are important, early warning signs that need to be heeded.
2. Business models are not abstract - they can be described and analysed in a very concrete manner. They form the bridge between strategy and organisation and very significantly determine the enduring success of your company. Approach the analysis in a structured manner and pay attention to the flexibility in the entire group of companies while adapting existing models.
3. Business model innovations are possible. But the prerequisites must be in place, from culture to organisation. Promote creative and radical thinking and break open silos. Decisive leadership from top management, as well as the readiness to radically adapt existing structures, are needed for innovation to be successful.

About Capgemini

Capgemini, one of the world's foremost providers of consulting, technology and outsourcing services, enables its clients to transform and perform through technologies. Capgemini provides its clients with insights and capabilities that boost their freedom to achieve superior results through a unique way of working, the Collaborative Business Experience™. The Group relies on its global delivery model called Rightshore®, which aims to get the right balance of the best talent from multiple locations, working as one team to create and deliver the optimum solution for clients. Present in more than 30 countries, Capgemini reported 2009 global revenues of EUR 8.4 billion and employs 95,000 people worldwide. More information is available at www.capgemini.com

Rightshore® is a trademark belonging to Capgemini.

About Capgemini Consulting

Capgemini Consulting is the Global Strategy and Transformation Consulting brand of the Capgemini Group, specializing in advising and supporting organizations in transforming their business, from the development of innovative strategy through to execution, with a consistent focus on sustainable results. Capgemini Consulting proposes to leading companies and governments a fresh approach which uses innovative methods, technology and the talents of over 4,000 consultants world-wide.

For more information: www.capgemini.com/consulting

Contact
Herbert Hensle
Karlstraße 12
D-80333 Munich
Phone +49 89 9400-1528
herbert.hensle@capgemini.com

Oliver Schön
Berliner Straße 76
D-63065 Offenbach
Phone +49 69 9515-1225
oliver.schoen@capgemini.com

©2010 Capgemini. All rights reserved.

D-20107-10-0129

Capgemini Deutschland GmbH
Karlstraße 12
D-80333 Munich
Phone +49 89 9400-0 - Fax: +49 89 9400-1111
www.de.capgemini.com/consulting

Capgemini Consulting is the strategy and transformation consulting brand of Capgemini Group